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FM AMCONSUL SAO PAULO
TO RUEHC/SECSTATE WASHDC IMMEDIATE 8125
INFO RHEHNSC/NATIONAL SECURITY COUNCIL WASHDC IMMEDIATE
RUEHBR/AMEMBASSY BRASILIA PRIORITY 9257
RUEHRI/AMCONSUL RIO DE JANEIRO PRIORITY 8675
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UNCLAS SAO PAULO 000188

SIPDIS

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STATE INR/R/MR; IIP/R/MR; WHA/PD

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TAGS: [KMDR](#) [OPRC](#) [OIIP](#) [ETRD](#) [BR](#)

SUBJECT: MEDIA REACTION: WESTERN HEMISPHERE: CUBA, GOVERNANCE; SCO
PAULO

11. 'Material Incentives' in Cuba

Center-right O Estado de S.Paulo (4/14) editorializes: "A resolution adopted in February [in Cuba] but only now made public establishes that a 'compaero' who is more productive than the other working the same job will receive a salary proportionally higher... . The initiative...was branded on state TV as ...an advance in the construction of socialism and not as the delayed acknowledgment of the key role competition and incentives play in the realm of production activities. ...President Ral Castro...[eliminated] the ban on the purchase of ...microwaves, DVD players, cell phones, air conditioning, toaster and...computers... . But freedom of speech and the right to vote on multi-party elections are still as much of a utopia in Cuba as Marx'vision of work and salary."

12. Opening Cuba

Liberal Folha de S.Paulo (4/13) says: "Although Cuba has overcome the worst part of the ruin that affected the country after the end of support it received from the Soviets in the early 90's, the situation is far from comfortable. The country...imports USD10.9 billion a year and exports only USD3.3 billion. ...The remittances of dollars from Cuban-Americans to relatives who are in the island and the oil at prices subsidized by Chavez...help, but are not enough to cover the hole. It is, therefore, for survival that [Cuban President] Ral [Castro] deepens the Caribbean 'Perestroika...' There are also signs that the new leader flirts with a political depressurization, apparently, with the goal of easing tensions without changing the nature of the regime."
White